



## **COMMUNITY DEVELOPMENT COMMISSION**

### **County of Los Angeles**

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • [www.lacdc.org](http://www.lacdc.org)

**Gloria Molina**  
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*Commissioners*

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**Carlos Jackson**

*Executive Director*

July 15, 2003

Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**RESOLUTION APPROVING ISSUANCE OF MULTIFAMILY HOUSING REVENUE  
BONDS FOR MULBERRY VILLAS IN UNINCORPORATED WHITTIER (4)  
(3 Vote)**

**IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE GOVERNING  
BODY OF THE COUNTY OF LOS ANGELES:**

1. Find that the acquisition and rehabilitation of Mulberry Villas, a 51-unit affordable multifamily housing development located at 14950 Mulberry Drive in unincorporated Whittier, is exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed work will not have the potential for causing a significant effect on the environment.
2. Adopt and instruct the Chair to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Revenue Bonds by the California Statewide Communities Development Authority (CSCDA), in an amount not exceeding \$1,700,000, to assist the Southern California Housing Development Corporation (the Developer) to finance the project described above. site acquisition and rehabilitation of the project described above.

**PURPOSE OF RECOMMENDED ACTION/JUSTIFICATION:**

The purpose of this action is to approve the issuance of Multifamily Housing Revenue Bonds by the CSCDA to finance the acquisition and rehabilitation of 51 units of affordable housing within unincorporated Whittier. The County of Los Angeles is a participant in the CSCDA joint powers authority.

**FISCAL IMPACT/FINANCING:**

No County costs will be incurred. The Developer will pay all fees and related costs.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The project will consist of the acquisition and rehabilitation of ten 2-story stucco-covered wood frame buildings that include twenty 2-bedroom and thirty-one 1-bedroom units, a community room, and laundry facilities. At least 30 percent of the total 51 units will be reserved for households with incomes not exceeding 50 percent of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size, as defined by the U.S. Department of Housing and Urban Development (HUD). At least 25 percent of the units will be reserved for households with incomes not exceeding 35 percent of the AMI, and the remaining units will be reserved for households with incomes not exceeding 60 percent of the AMI. These affordability requirements will remain in effect for a minimum of 55 years.

Bonds will be issued for Mulberry Villas and another project that will be acquired and rehabilitated by the Developer at 13032 Clark Avenue in the City of Downey. The two projects will be cross-collateralized in order to secure the bonds, which will be issued by CSCDA. CSCDA was organized pursuant to a joint exercise of powers agreement entered into by a number of California cities and counties, including the County of Los Angeles, pursuant to the provisions of the Joint Powers Act, Section 6500, et seq., of the California Government Code, under which the CSCDA is authorized to issue bonds, notes, other evidences of indebtedness or certificates of participation in leases or other agreements in order to promote economic development, including the provision and maintenance of multifamily housing.

The attached Resolution approving issuance of the bonds is required because Mulberry Villas is located within unincorporated Los Angeles County, and must be approved by the governing body of the jurisdiction in which the project will be located.

On July 8, 2003, the Commission conducted a hearing at its office located at 1 Cupania Circle in the City of Monterey Park, regarding the issuance of multifamily bonds to finance the Mulberry Villas project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the projects.

The attached Resolution has been prepared by Orrick, Herrington & Sutcliffe, Bond Counsel to the CSCDA, and has been approved as to form by County Counsel.

Honorable Board of Supervisors

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**ENVIRONMENTAL DOCUMENTATION:**

The project is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

**IMPACT ON CURRENT PROJECT:**

The proposed actions will increase the supply of affordable multifamily housing in the County.

Respectfully submitted,

CARLOS JACKSON  
Executive Director

Attachment: 1

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY  
OF LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY  
HOUSING REVENUE BONDS BY THE CALIFORNIA STATEWIDE  
COMMUNITIES DEVELOPMENT AUTHORITY**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 *et seq.* and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the County of Los Angeles (the "County"), to issue revenue bonds in accordance with Chapter 8 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

WHEREAS, the Southern California Housing Development Corporation of Los Angeles (collectively, with any related entity, the "Borrower") has requested that the Authority issue Multifamily Housing Revenue Bonds in an aggregate principal amount not to exceed \$1,700,000 to finance the acquisition and rehabilitation of a 51-unit multifamily rental housing project located at 14950 Mulberry Drive, in Whittier (unincorporated Los Angeles County), and commonly known as Mulberry Villas; and

WHEREAS, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental unit on whose behalf such bonds are expected to be issued and by the governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the members of this Board of Supervisors ("Board") are the applicable elected representatives of the County; and

WHEREAS, notice of the public hearing held on July 8, 2003, regarding issuance of the Bonds, was published at least 14 days prior to said hearing in a newspaper of general circulation in the County of Los Angeles; and

WHEREAS, such public hearing was conducted on said date by the Community Development Commission of the County of Los Angeles ("the Commission") on behalf of the County, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The Board hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this Resolution constitute approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

Section 3. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

Section 4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Commission.

Section 5. This Resolution shall take effect immediately upon its passage.

ADOPTED by the Board of Supervisors of the County of Los Angeles at a regular meeting of said Board held on the      day of July, 2003, by the following vote:

AYES:

NOES:

ABSENT:

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Chair of the Board of Supervisors

ATTEST:

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Executive Officer or  
Clerk of the Board of Supervisors

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

By \_\_\_\_\_  
Deputy

